

MAIDSTONE BOROUGH COUNCIL

COBTREE MANOR ESTATE COMMITTEE

20 DECEMBER 2010

REPORT OF THE HEAD OF FINANCE & CUSTOMER SERVICES

Report prepared by: Paul Holland (Senior Accountant)

1 ACCOUNTS 2009/10

1.1 Issue for Decision

1.1.1 To consider the audited Report and Financial Statements for the financial year 2009/10.

1.2 Recommendation of the Head of Finance & Customer Services

1.2.1 That the Committee approves the Report and Financial Statements for the financial year 2009/10.

1.3 Reasons for Recommendation

1.3.1 In July 2010 the Committee received the un-audited Report and Financial Statements for the financial year 2009/10.

1.3.2 Attached at **APPENDIX A** are the audited 2009/10 Report and Financial Statements from the external auditors, along with the Matters Arising letter and the Letter of Representation.

1.3.3 Following their examination of the Report and Financial Statements the external auditors recommended a small number of changes, which have now been incorporated into the audited version.

1.3.4 The majority of the changes were of a minor or technical nature, and they have had an impact on the amount of the loan outstanding to the Council at 31st March 2010, which has now reduced from £25,446 in the draft accounts to £10,460.

1.3.5 The reduction in the loan balance was substantially down to two adjustments. Firstly additional investment income of £19,576 received from Cobtree Charity Trust Ltd relating to 2008/09 had not been included in the draft accounts as it was not received until May 2010. Secondly, a bad debt provision of £3,653 has been made to reflect the settlement of the outstanding electricity invoice with Caterleisure Ltd.

1.3.6 The auditors also recommended that two additional notes be inserted to provide some additional detail for staff costs and

pensions, and these are notes 5 and 6 to the accounts. Note 13 (Related Party Transactions) has also been expanded to more fully explain the relationship between the Trust and the Council.

1.4 Alternative Actions and Why Not Recommended

1.4.1 There are no alternative actions. The accounts and the Letter of Representation are required to be approved by Trustees and signed by the Chairman prior to their submission to the Charity Commission.

1.5 Impact on the Charity's Objectives

1.5.1 The net surplus on the activities of the Golf Course and the Manor Park is utilised to repay the Long-Term loan to the Council.

1.6 Risk Management

1.6.1 As a registered charity the Trust is required to submit audited accounts to the Charity Commission.

1.7 Other Implications

Financial	<input checked="" type="checkbox"/>
Staffing	<input type="checkbox"/>
Legal	<input type="checkbox"/>
Social Inclusion	<input type="checkbox"/>
Environmental/Sustainable Development	<input type="checkbox"/>
Community Safety	<input type="checkbox"/>
Human Rights Act	<input type="checkbox"/>
Procurement	<input type="checkbox"/>
Asset Management	<input type="checkbox"/>

1.8 Financial Implications

1.8.1 Financial Implications are detailed in the report above.